



**CITY OF SUNNYVALE  
REPORT  
Planning Commission**

**March 27, 2006**

**SUBJECT:** **2005-1048 - Jeffery Morris** [Applicant] **Morris Associates IX** [Owner]: Application on a 2.1-acre site for related proposals located at **595 Lawrence Expressway** (at Duane Ave) in an M-S (Industrial & Service) Zoning District. (Negative Declaration) (APN: 205-23-017) JM;

Introduction of an Ordinance **Rezone** from M-S (Industrial & Service) to M-S/PD (Industrial & Service/Planned Development) Zoning District,

Motion **Special Development Permit** to construct a new 22,590 square-foot shopping center.

**REPORT IN BRIEF**

**Existing Site Conditions** One 2-story Industrial (R&D) building

**Surrounding Land Uses**

North Across East Duane Ave, auto service station (with car wash) and General Industrial

South Hotel (Residence Inn)

East Across Lawrence Expressway, restaurants and commercial shopping center

West Across Stewart Drive, General Industrial complex (AMD)

**Issues** Tree Preservation & Landscaping  
Trash Enclosures  
Parking

**Environmental Status** A Negative Declaration has been prepared in compliance with California Environmental Quality Act provisions and City Guidelines.

**Staff Recommendation** Approve with Attached Conditions



## PROJECT DATA TABLE

	EXISTING	PROPOSED	REQUIRED/ PERMITTED
<b>General Plan</b>	Industrial	Same	Industrial
<b>Zoning District</b>	MS	MS-PD	Same
<b>Lot Size (s.f.)</b>	93,175	Same	22,500 min.
<b>Gross Floor Area (s.f.)</b>	32,510	22,682	32,611 max.
<b>Lot Coverage (%)</b>	20%	24%	45% max.
<b>Floor Area Ratio (FAR)</b>	35%	24%	35% max.
<b>No. of Buildings On-Site</b>	1	3	by SDP
<b>Distance Between Buildings</b>	N/A	59 & 74 ft.	10 min.
<b>Building Height (ft.)</b>	35	30	75 max.
<b>No. of Stories</b>	2	1	8 max.
<b>Setbacks</b>			
★ <b>Front - Lawrence (ft.)</b>	88	10	35 min. (SMC 19.34.070.a)
★ <b>Front - Duane (ft.)</b>	20	12	35 min.
★ <b>Front - Stewart (ft.)</b>	178	9	25 min.
<b>Rear - south (ft.)</b>	56	10	None
<b>Landscaping (sq. ft.)</b>			
★ <b>Total Landscaping</b>	+/-23,000	26,558	18,635 min.
<b>Frontage Width (ft.)</b>	10	10-13	15 min.
<b>Landscaping Buffer (ft)</b>	10	10-13	10 ft. min.
<b>Parking Lot Area Shading (%)</b>	Unknown	50%	50% min. in 15 years
<b>Water Conserving Plants (%)</b>	Unknown	70%	70% min.
<b>Parking</b>			
<b>Total Spaces</b>	130	151	151 min. (Varies based on use)
<b>Standard Spaces</b>	125	144	122 min.
<b>Compact Spaces</b>	0	1	15 (10%) max.
<b>Accessible Spaces</b>	5	6	5 min.
<b>Aisle Width (ft.)</b>	Unknown	26	26 min.
<b>Bicycle Parking</b>	0	0	3 Class I (lockers) & 4 Class II (racks) min.
<b>Stormwater</b>			
<b>Impervious Surface Area, s.f. (%)</b>	Unknown	66,617 (71%)	74,540 (80%) max.

★ Starred items indicate deviations from Municipal Code requirements.

## **ANALYSIS**

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### **Description of Proposed Project**

**Description of the Project:** The application is for a re-zoning of the site from M-S (Industrial & Service) to M-S/PD (Industrial & Service/Planned Development) Zoning District, and for a Special Development Permit to construct three commercial buildings totaling 22,590 square feet. The commercial center is intended for a variety of uses, including retail, restaurant, and financial institution.

### **Background**

The subject site is located at the southwest intersection of Lawrence Expressway and Duane Avenue. It is surrounded on 3 sides by roadways, with Stewart Drive running along the western boundary. To the north of the site, across East Duane Ave, are an office R&D building and an auto service station with a car wash. To the northeast of the site, across Lawrence Expressway, is a high density residential complex (Avalon at Silicon Valley). To the east of the site, across Lawrence Expressway, is a commercial shopping center which includes restaurant uses. Abutting the site to the south is a hotel (Residence Inn). Across Stewart Drive to the west is a large R&D complex (AMD).

The site currently has a two-story office building which had been used primarily for office R&D uses but is currently vacant. The parking lot surrounds the building on the south, east and west sides. There is extensive landscaping surrounding the buildings, including 98 trees.

### **Environmental Review**

A Negative Declaration has been prepared in compliance with California Environmental Quality Act provisions and City Guidelines. An initial study has determined that the proposed project would not create any significant environmental impacts (see Attachment C, Initial Study).

While none of the anticipated impacts are considered significant to require project mitigations, the following *less than significant* impacts are noted:

- a) Staff's primary concern is the proposed removal of many of the existing mature trees. This may be addressed by protecting some of the trees (especially those along the southern boundary), moving some of the existing trees, and installing larger-sized replacement trees.
- b) The proposed use is expected to increase peak hour traffic to and around the site; however, the existing points of ingress and egress, which will be maintained, are expected to be able to handle the additional capacity.

The impact of the anticipated increase in traffic will be addressed through collection of an impact fee to fund future programs to address transportation issues along the Lawrence Expressway corridor.

- c) The required Stormwater Management Plan will address issues associated with additional hardscape.
- d) The proposed commercial center will result in additional sources of evening light and noise on the site. The extent of impact of both of these issues is limited by the City's Municipal Code. The lighting plan will be reviewed during the Building permit stage.

### **Rezoning**

**Change under Consideration:** The applicant is requesting a Re-Zone from Industrial and Service (MS) to Industrial and Service with a Planned Development overlay (MS-PD).

**Discussion of Rezoning:** The applicant is requesting a Planned Development Combining District (PD) in conjunction with the existing MS zoning for the site. The request does not change the allowable uses on the site but instead is a common tool utilized throughout Sunnyvale for the development of infill and small lot development projects. PD is intended to allow for flexibility in meeting the City's development standards and in some instances to place stricter controls on new development. The applicant may propose deviations to the zoning standards through the requested Special Development Permit. A common deviation proposed in the PD is reduced setbacks.

The proposed rezone is appropriate in that it does not change the allowable uses on the site, but allows for minor modifications from the Zoning Code requirements, such as deviations to the front setback and frontage landscape requirements. For example, the applicant has proposed a 10 foot front yard setback instead of the required 35 feet. The applicant had initially requested a zoning change to Commercial; however, this would have also required a General Plan Amendment to maintain consistency between the General Plan and the Zoning Map. As the intent of the shopping center could be met by maintaining the Industrial zoning, the applicant modified their request to include a Planned Development (PD) overlay.

Below are the City Council Policy Guidelines from 1998 for approving a PD zoning request

- *To facilitate development or redevelopment of a site to improve the neighborhood.* (The PD facilitates the development of the commercial center while meeting the General Plan goals for the site.)
- *To allow for a proposed use that is compatible with the neighborhood but requires deviations from development standards for a successful project.*

(While locating parking along the perimeter would remove the need for the setback deviations, recent market research indicated that the proposed layout is more likely to appeal to potential customers.)

- *To allow for the development and creations of lots that are less than the minimum size required in the base zoning district. (Not applicable.)*

### **Special Development Permit**

**Detailed Description of Use:** The proposed uses are standard for a commercial shopping center and may include retail, restaurant, and financial institution uses. The mix of uses is discussed further in the Parking section of the report.

**Site Layout:** The proposed site plan includes 3 buildings located along the perimeter of the site and a large parking area in the middle. The largest building is located along the southern perimeter of the site, with the smaller buildings fronting the major intersections.

A notable feature on the north, east and west perimeter of the site is an approximately 4 foot high berm. The berm was originally established to reduce the visibility of the parking lot; however, the applicant would like to remove most of the berm to increase visibility to the site.

There are two vehicular access points to the site, one on Lawrence Expressway and the other on Stewart Drive. The central area is exclusively for parking, with some tree wells provided for landscaping and shading.

The site does not meet setback requirements or frontage requirements along all three street frontages. The applicant has indicated the intent to have a greater street presence with the proposed location of the buildings.

The northern-most rooms on the adjacent hotel (abutting the site to the south) are set back 10 to 15 feet from the property line, resulting in a high level of exposure to activities on the subject site.

The following Guidelines were considered in analysis of the project site design.

<b>Citywide Design Guidelines</b>	<b>Comments</b>
<i>B1. Locate site components such as structures, parking, driveways, walkways, landscaping and open spaces to maximize visual appeal and functional efficiency.</i>	The project was designed to provide a cohesive center, designed to maximize the use of the area, and provide accessibility to all businesses in the shopping center.

Citywide Design Guidelines	Comments
<i>B2. Emphasize the pleasant components of the project such as existing trees and views, and disguise its less desirable scenes such as loading service areas through placement and design of structures and landscaping.</i>	The layout is designed to create aesthetic focal points on the buildings, and staff is working with the applicant to maximize the retention and use of the existing mature trees currently on the site.
<i>B3. Siting of noise and odor generating functions on a site shall not create a nuisance for the adjacent properties.</i>	The solid waste enclosures are located along the southern perimeter of the site, near the hotel. This issue is discussed more fully below.

*Solid Waste & Recycling:* The applicant has proposed two solid waste enclosures to be located on either side of the largest building (along the south property line). Staff notes two concerns with the location: 1) proximity to the hotel; 2) potential long distance from restaurant tenants. If use of the trash bins is not well managed, hotel guests could experience higher noise levels (than from the existing trash enclosure) and detect odors from the trash bins due to the presence of food wastes. Past experience on some sites has shown some spillage when restaurant tenants transport biodegradable waste long distances.

Following are three ways these issues can be addressed:

1. Allow the enclosures at the proposed location with the same design and require a detailed solid waste management program that addresses proper disposal of trash and use of the trash containers. The plan should address proper disposal of food wastes, hours of use, good neighbor policies, etc. This requirement could be required in all leases, regardless of type of use.
2. Relocate the enclosures to the parking lot. This option would provide more distance between hotel guestrooms and the trash enclosures, minimizing impacts of noise and odor. This option could be accompanied by a similar trash management plan described above. Locating the enclosure in the parking lot could be an aesthetic impact on the project affecting visibility of the center from the street and placing shopping center patrons in close proximity to the trash. Trash enclosures are typically located out of site.
3. Allow the enclosures in a similar location to proposed and require that a fully enclosed structure be constructed as an addition to the building. An attached and roofed structure would be more costly to

build as it would need to be sprinklered to meet building and fire safety requirements. The enclosure would help to shield odors and block noise from use of the facility. A solid waste management plan could be required as part of this option as well.

*Stormwater Management:* The applicant has submitted a Stormwater Management Plan (SWMP) which includes a hydrodynamic device (commercially available in-line treatment unit) for stormwater treatment, general maintenance as a source control (street sweeping, catch basin cleaning), and education on Integrated Pest Management as a pesticide reduction measure. The SWMP is typically finalized during the Building Permit stage and requires a third party certification letter to assure compliance with Regional Water Quality Control Board requirements.

*Easements:* There are two types of easements on the site, a slope easement (for the berm) and a standard Public Utility Easement (PUE).

The 10 foot slope easement runs along the northern boundary of the site, along Duane Avenue. The slope easement partially overlaps with the PUE, resulting in a total easement of 16 feet along most of the northern boundary. The slope easement is still in effect, but may be abandoned by the City as part of this process.

The 10 foot Public Utility Easement (PUE) runs around the full perimeter of the site. The applicant redesigned the initial site plan to observe the PUE easement. The applicant will be required to modify or pursue abandonment of the easement to maintain the front setback as currently designed.

*Undergrounding:* Per standard City requirements, all public utilities on the site are required to be undergrounded.

**Architecture:** The one-story commercial structure employs a varying range of heights and materials to provide a sense of several storefronts within one structure. Staff has worked with the applicant to encourage a greater accentuation of the visual diversity for the retail center.

The following Guidelines were considered in the analysis of the project architecture.



Design Policy or Guideline (Architecture)	Comments
<i>B1. Break up large buildings into groups of smaller segments whenever possible, to appear smaller in mass.</i>	The shopping center is broken up into 3 different buildings. Further, the varying styles and textures of the architecture provide the visual sense of smaller segments.
<i>B12 – Develop focal points for every project to create a sense of identification. Plazas, landscaping, water features, art works, changes in pavement textures and levels, and building architectural features may be combined to create focal points.</i>	The commercial project uses a mix of architectural –styles to give the appearance of multiple storefronts. The art feature located at the corner of the property will be a focal point at the intersection of Lawrence Expressway and Duane Avenue.
<i>C1.2.2 Encourage development of diversified building forms and intensities.</i>	The commercial structure includes a diverse style of architecture.

Based on feedback received by Planning Commissioners during a Study Session on February 13, 2006, the applicant modified the proposed elevations (see Attachment D). Further, the applicant intends to provide a presentation with a few different options during the public hearing to allow for greater community input in the determining the final design.

**Landscaping:** The site currently has 98 trees, including 42 protected trees. Protected trees are those that measure 38 inches or greater in circumference when measured at four feet from the ground. The Sunnyvale Tree Preservation Ordinance was adopted to protect the diversity of trees in Sunnyvale. Trees are a valuable asset to the community in terms of aesthetics, protection of habitat, and enhancement of economic value of property and may be removed only under certain circumstances, including approved property development.

According to the arborist report, many of the smaller trees that are in the path of or too close to construction can be transplanted or salvaged. And the parking lot pavement planned for the southeastern perimeter may be modified to reduce the damage to the mature trees.

The applicant has proposed retaining 37 of the 98 mature trees, transplanting 8 trees on site, removing 53 trees, and planting 37 new trees. The City Arborist initially determined that at least 43 trees could be saved and 8 trees relocated on site, but the site plan was subsequently modified. Most of the trees located along the perimeter of the site are situated on a berm that was originally

installed to make the parking less visible but which the applicant does not intend to maintain. These trees will be impacted, in part, by the decision made regarding the slope easement associated with the berm. Saving all 43 of the trees will require a reconfiguration of the site plan, primarily the parking lot layout. Another option is to abandon the slope easement, save 39 trees and relocate 10 trees.

Trees located within 10 feet of the sidewalk on Duane Avenue, the northern boundary of the site, are City street trees. The applicant has expressed a concern with site visibility from the intersection of Lawrence Expressway, and initially requested removal of all of the trees along the northern boundary but has since revised the request to only remove the trees along the east half of the northern perimeter. The City Arborist has concurred that trees located along the northeastern boundary of the site may be removed due to their location on a berm, and given the applicant's intent to remove the berm.

The applicant has made several revisions to the originally submitted site plan, but staff is recommending additional modifications to the parking lot area to maintain mature trees and meet the parking lot shading requirements. The proposed requirements are to maintain at least 40 trees and relocate 8 trees on site, as detailed in the recommended Condition of Approval (Attachment B, COA 9A and 9H).

	<b>Proposed by Applicant</b> (Total Trees / Protected)	<b>Proposed by Staff</b> (Total Trees / Protected)
<b>Existing</b>	98	98
<b>Remove</b>	53 / 12	<b>49</b> / 12
<b>Relocate</b> (transplant)	8 / 1	<b>10</b> / 1
<b>Retain</b>	37 / 29	<b>39</b> / 29
<b>New Trees to be Planted</b>	37	<b>36*</b>
<b>Resulting Total Trees</b>	82	<b>85</b>

\* All 36 trees needed to meet shading requirements.

The difference between the two proposed plans is that staff recommends retaining all of the Japanese Maple trees through slight site plan modifications or relocation (all Saucer Magnolias have already been proposed to be relocated on site). Retaining the 2 additional Japanese Maple trees would require a minor modification of the parking lot, with 2 landscaping areas located along the northern boundary rather than just one. Some of the standard parking spaces may be changed to compact spaces (up to 15 permitted by Code) to allow for additional landscaping area (see Attachment B, Condition of Approval 12.F). The other 2 Japanese Maple trees may be relocated elsewhere on the site. This would result in a slight reduction in the number of required new

trees (by one), though most of the proposed trees would be required to meet the parking lot shading requirements.

The following Guidelines were considered in analysis of the project landscaping.

<b>Design Policy or Guideline (Landscape)</b>	<b>Comments</b>
<i>IV Landscaping shall be used to enhance sites and buildings, control climate and noise, create transition between adjacent uses, unify various site components, and define and separate functions.</i>	The landscaping plans provide for visual enhancement of the site, parking lot shading, and a privacy barrier for the existing hotel south of the site.
<i>Citywide Design Guidelines A2. Preserve and incorporate existing natural features, particularly trees, on a site into the landscape design of projects.</i>	A certified arborist report indicated that several of the existing trees can be maintained on the site with the implementation of adequate protection measures during construction.
<i>Citywide Design Guidelines A6. Preserve natural site features such as mature trees, creeks, views, etc. and incorporate into the site design of the new project (Tree Preservation Ordinance)</i>	Staff is working with the applicant to preserve as many of the existing mature trees as possible while meeting the applicant's needs for the site. Staff is recommending that a minimum of 43 trees be preserved and 8 be relocated, including retention of the significant tree buffer on the south property line.

**Parking Lot Shading:** The proposed layout results in competing goals for the site, between maintaining a maximum number of existing mature trees and meeting the City requirement of 50% parking lot shading at 15 years of tree growth. Keeping the mature trees would provide the benefits of established landscaping on the site, as well as the other benefits identified in the Tree Preservation Ordinance. However, the applicant has expressed a concern that the current location and species of the trees would not provide shade for the parking lot requirements as the existing trees do not provide the necessary canopy or are not located in the optimal location. The City Arborist has indicated that the existing Pine trees located along the southern perimeter of the site meet the shading goal for the southern perimeter parking. Although the trees do not have a large canopy, their height and location results in the shading intent being met. The proposed Condition of Approval (see Attachment

B, COA 12.E) requires 50% shading at 15 years with the exception of only the parking located along the southern boundary of the site.

**Parking/Circulation:** The proposed project has 151 parking spaces, which meets the City's parking requirements if conditioned to limit the amount of certain types of uses on the site. The proposed use which has the highest parking requirement is restaurants (the requirement may vary based on type). The applicant has proposed two scenarios to meet the parking requirement.

Option 1 involves a breakdown for just a restaurant and retail use:

Type of Use	Area (%)	Area (sq. ft.)	Parking Ratio (1 space/sq. ft.)	Parking Required
Restaurant (w/o fixed seating or a bar)	41.0%	9,294	110	84.5
Retail Shopping Center (20K-50K sq. ft.)	59.0%	13,388	200	66.9
<b>Total Required</b>				<b>151.4</b>
<b>Total Provided</b>				<b>151</b>

Option 2 includes a financial institution:

Type of Use	Area (%)	Area (sq. ft.)	Parking Ratio (1 space/sq. ft.)	Parking Required
Restaurant (w/o fixed seating or a bar)	38.6%	8,744	110	79.5
Financial Institution	17.6%	4,000	180	22.2
Retail Shopping Center (20K-50K sq. ft.)	43.8%	9,938	200	49.7
<b>Total Required</b>				<b>151.4</b>
<b>Total Provided</b>				<b>151</b>

Given the practice of rounding requirements up to the nearest number, both of these options slightly exceed the allowable parking on the site.

Staff recommends an approach that will allow for greater flexibility for future uses. The recommendation is to allow up to 30% restaurant to be permitted by right, along with up to 4,000 square feet of financial, and the remainder as general retail uses. If a future applicant seeks to increase the restaurant use up to 40% (i.e. to a range between 30% and 40%), they will need to undergo a staff-level Miscellaneous Plan Permit (MPP) review process which will consider the parking requirements of the shopping center based on the specific uses at the time. If the parking requirements are met, the MPP can be approved for up to 40% restaurant use. The review process will include determining the parking demand based on the existing and proposed uses for the site, based on

the standard Municipal Code requirements for parking (see Attachment B, Condition of Approval 4A and 4B).

*Circulation:* The site both benefits and is challenged by being surrounding on three sides by busy roadways. The benefit of enhanced visibility is balanced by the challenge of accessing the site. The applicant had originally requested an access route on Duane; however, the City's transportation staff expressed concerns with blocking Lawrence Expressway and Duane Avenue by the anticipated stacking of vehicles trying to access the site during peak hours. The applicant also requested a centralized entrance along Stewart. Again, transportation staff raised concerns with the impact on the adjacent intersection if access was placed too close. After a full review of the options, the conclusion was to retain the existing ingress/egress routes. These routes provide their own challenges. The Lawrence Expressway ingress/egress is just south of the intersection with Duane, meaning the turn lane into the site for southbound traffic will join with the merge lane from the traffic turning right from Duane onto Lawrence. This is expected to slow traffic as traffic uses the lane to both slow down to turn into the site, and speed up to merge with traffic on Lawrence. While staff noted the challenges of accessing the site, the solution appeared to be limiting the access points to the existing locations. Greater restrictions on access may impact usability of the site.

Per standard City requirements, a sidewalk will be constructed along Stewart Drive. Sidewalks are already present along Duane Avenue and Lawrence Expressway.

**Art in Private Development:** This project requires an art project to be completed as part of the development project. While the type of art has not yet been determined, the proposed location is at the northeast corner of the property near the intersection of Lawrence and Duane. The application should submit an Art in Private Development application to the Director of Community Development for approval by the Arts Commission, prior to issuance of a Building Permit.

**Compliance with Development Standards/Guidelines:** The site does not meet the three front yard setback requirements, nor does it meet the requirement for a 15 foot frontage strip for landscaping. The applicant indicated that a change in their proposed landscaping plan to save trees may impact their ability to meet the parking lot shading requirement.

**Expected Impact on the Surroundings:** The development is expected to increase the traffic flow to and around the subject site, as well as increase lighting and noise levels. However, the site is located along a major transportation corridor, which is designed for the heavier traffic flow, and in an area which is less likely to be impacted by the additional lighting and noise.

### **Fiscal Impact**

This project involves a Transportation Impact Fee of approximately \$18,556.89 to address the expected resulting traffic impacts from the change in use. No other fiscal impacts other than normal fees and taxes are expected.

The business from the center is expected to positively impact the City's tax revenue.

### **Public Contact**

**Planning Commission Study Session:** At a Study Session on February 13, 2006, several Planning Commissioners expressed concerns with the proposed removal of the large number of mature heritage trees and suggested reconfiguring at least the parking lot (if not the entire site) to preserve more of the trees as they are a unique feature of the site. A distinction was drawn between the types of trees targeted to be preserved and those which could be removed. (The American Sweet Gum or Liquidambar tree was identified as a less desirable species. Three Liquidambar trees, located along the western boundary of the site, are proposed to be retained).

The architecture also received some comments, with concerns that the facades closely resembled recently constructed commercial centers in Sunnyvale. Planning Commissioners urged greater distinction between the different storefronts.

Concerns were expressed with the circulation on and off the site, especially given the potential challenges getting to and from the site from Lawrence Expressway,

There was some discussion about pedestrian access to and on the site. A request was made to distinguish the on-site walkways which cross the parking lot through the use of distinctive pavers.

<b>Notice of Negative Declaration and Public Hearing</b>	<b>Staff Report</b>	<b>Agenda</b>
<ul style="list-style-type: none"> <li>Published in the <i>Sun</i> newspaper</li> <li>Posted on the site</li> <li>1,048 notices mailed to the property owners and residents within 300 ft. of the project site</li> </ul>	<ul style="list-style-type: none"> <li>Posted on the City of Sunnyvale's Website</li> <li>Provided at the Reference Section of the City of Sunnyvale's Public Library</li> </ul>	<ul style="list-style-type: none"> <li>Posted on the City's official notice bulletin board</li> <li>City of Sunnyvale's Website</li> <li>Recorded for SunDial</li> </ul>

The property manager for the hotel met with staff to express both their positive support of the proposed development of the site and their concerns with the potential impact of the location of the trash enclosures along the southern perimeter of the site. No other communication was received in support or opposition to this project.

## **Conclusion**

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**Discussion:** The project is expected be an enhancement by drawing additional business to the area. Staff is primarily concerned with utilizing and preserving the existing mature trees on the site. With minor modifications to the site plan, additional protection measures during construction, and the modification of some of the standard parking spaces to compact spaces, the plan can result in more of the mature protected trees being preserved (see Attachment B, Condition of Approval 12.F).

While the site does not meet the three front yard setback requirements or the frontage strip requirement, staff concurs with the applicant's intent to provide a greater street presence. Further, locating the buildings along the perimeter also allows for a greater buffer between the users of the site and the surrounding streets.

Due to concerns with proximity of trash enclosures to residents in other projects staff believes that a physical solution to address the potential impacts of odor and noise is needed. A fully enclosed structure seems to strike a balance of preserving the site aesthetics to on-site patrons and protecting hotel guests. Because the site is clearly desired for a high percent of restaurant use, staff believes that a solid waste management plan is prudent no matter what location is selected. Conditions of Approval 1.G and 14.A are recommended (see Attachment B).

Given the amount of parking provided, staff recommends up to 30% of restaurant use by right, and a staff-level review process for a request for restaurant use between 30% and 40% of the gross area of the site, which may include outdoor seating (see Attachment B, Condition of Approval 4). This approach will allow flexibility in considering different types of restaurants as the Municipal Code has established distinct parking requirements for different types have restaurants. The review process will enable staff to distinguish between the different types of restaurant uses when considering increasing the total percentage of restaurant use from 30% to 40% of the gross floor area. This allows staff to confirm the proposed changes are in compliance with the Municipal Code requirements for parking.

**Findings and General Plan Goals:** Staff was able to make the required Findings based on the justifications for the Special Development Permit. Findings and General Plan Goals are located in Attachment A.

**Conditions of Approval:** Conditions of Approval are located in Attachment B.

**Alternatives**

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1. Adopt the Negative Declaration, introduce an Ordinance, and approve the Special Development Permit with the attached conditions.
2. Adopt the Negative Declaration, introduce an Ordinance, and approve the Special Development Permit with modified conditions.
3. Adopt the Negative Declaration, introduce an Ordinance, and deny the Special Development Permit.
4. Adopt the Negative Declaration and deny the Re-Zone and the Special Development Permit.
5. Do not adopt the Negative Declaration and direct staff as to where additional environmental analysis is required.

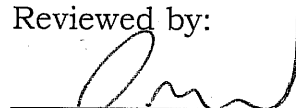


**Recommendation**

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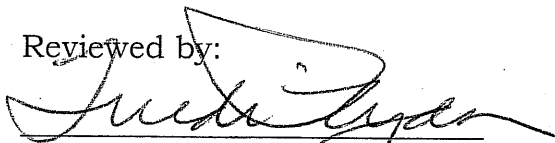
Alternative 1.

Reviewed by:

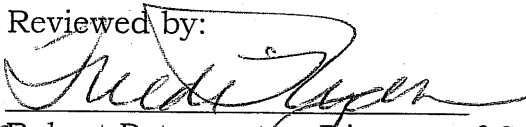
  
for Gerri Caruso, Principal Planner

Prepared by: Jamie McLeod, Associate Planner

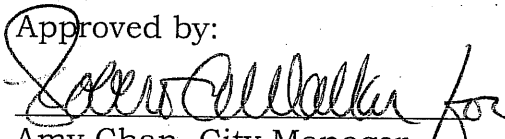
Reviewed by:

  
Trudi Ryan, Planning Officer

Reviewed by:

  
for Robert Paternoster, Director of Community Development

Approved by:

  
Amy Chan, City Manager

Attachments:

- A. Recommended Findings
- B. Recommended Conditions of Approval
- C. Environmental Study
- D. Site and Architectural Plans
- E. Arborist Report



## **Recommended Findings - Special Development Permit**

### **Citywide Design Guidelines**

*B1. Locate site components such as structures, parking, driveways, walkways, landscaping and open spaces to maximize visual appeal and functional efficiency.*

The project was designed to provide a cohesive center, designed to maximize the use of the area, and provide accessibility to all businesses in the shopping center.

*B2. Emphasize the pleasant components of the project such as existing trees and views, and disguise its less desirable scenes such as loading service areas through placement and design of structures and landscaping.*

The layout is designed to create aesthetic focal points on the buildings, and staff is working with the applicant to maximize the retention and use of the existing mature trees currently on the site.

*B3. Siting of noise and odor generating functions on a site shall not create a nuisance for the adjacent properties.*

While the solid waste enclosures are located along the southern perimeter of the site, near the hotel, Conditions of Approval are proposed to provide for adequate design and maintenance of the structure to minimize potential impacts.

### **Design Policy or Guideline (Architecture)**

*B12 – Develop focal points for every project to create a sense of identification. Plazas, landscaping, water features, art works, changes in pavement textures and levels, and building architectural features may be combined to create focal points.*

The commercial project uses a mix of architectural styles to give the appearance of multiple storefronts. The art feature located at the corner of the property will be a focal point at the intersection of Lawrence Expressway and Duane Avenue.

*C1.2.2 Encourage development of diversified building forms and intensities.*

The commercial structure includes a diverse style of architecture.

*B1. Break up large buildings into groups of smaller segments whenever possible, to appear smaller in mass.*

The shopping center is broken up into 3 different buildings. Further, the varying styles and textures of the architecture provide the visual sense of smaller segments.

**Design Policy or Guideline (Landscape)**

*Citywide Design Guidelines A6. Preserve natural site features such as mature trees, creeks, views, etc. and incorporate into the site design of the new project (Tree Preservation Ordinance)*

Staff is working with the applicant to preserve as many of the existing mature trees as possible while meeting the applicant's needs for the site. Staff is recommending that a minimum of 43 trees be preserved and 8 be relocated, including retention of the significant tree buffer on the south property line.

*IV Landscaping shall be used to enhance sites and buildings, control climate and noise, create transition between adjacent uses, unify various site components, and define and separate functions.*

The landscaping plans provide for visual enhancement of the site, parking lot shading, and a privacy barrier for the existing hotel south of the site.

*A2 Preserve and incorporate existing natural features, particularly trees, on a site into the landscape design of projects.*

A certified arborist report indicated that several of the existing trees can be maintained on the site with the implementation of adequate protection measures during construction.

1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale [Finding made]. Based on the policy statements identified in the body of the report, the project would create a distinctive new commercial center for the neighboring high density residential units across Lawrence the project would create a quality architectural statement at a major intersection in the City.
2. The proposed use ensures that the general appearance of proposed structures, or the uses to be made of the property to which the application refers, will not impair either the orderly development of, or the existing uses being made of, adjacent properties [Finding made]. The project appearance meets the Citywide Design Guidelines and the architectural standards. As conditioned, the site design is not expected to interfere with the use of adjacent properties or create significant traffic impacts.

**Recommended Conditions of Approval - Special Development Permit**

In addition to complying with all applicable City, County, State and Federal Statutes, Codes, Ordinances, Resolutions and Regulations, Permittee expressly accepts and agrees to comply with the following conditions of approval of this Permit:

Unless otherwise noted, all conditions shall be subject to the review of approval of the Director of Community Development.

**1. GENERAL CONDITIONS**

- A. Any major site and architectural plan modifications shall be treated as an amendment of the original approval and shall be subject to approval at a public hearing except that minor changes of the approved plans may be approved by staff level by the Director of Community Development.
- B. The Conditions of Approval shall be reproduced on the cover page of the plans submitted for a Building Permit for this project. Building Permit plans shall be accompanied by an annotated set of the conditions of approval indicating how the project complies with each condition.
- C. The Special Development Permit shall be null and void two years from the date of approval by the final review authority at a public hearing if the approval is not exercised, unless a written request for an extension is received prior to expiration date. This SDP approves the following deviations:
  - Reduced setbacks - from 35' to 10' along Lawrence,
  - Reduced setbacks - from 35' to 12' along Duane,
  - Reduced setbacks - from 25' to 9' along Stewart,
  - Reduced Frontage - from 15' to 10' along all three streets.
- D. To address storm water runoff pollution prevention requirements, an Impervious Surface Calculation worksheet is required to be completed and submitted for the California Regional Water Quality Control Board prior to issuance of a Building Permit.
- E. Maintain compliance with the City's Noise Ordinance.
- F. If requested by the applicant, the City's slope easement located along the northern perimeter of the site may be abandoned as part of this application. This action shall require final approval of the Director of Public Works and shall involve a map or record be filed against the property deed.

- G. Place language in the lease agreement with each tenant to require conformance with "good neighbor" protocol. This policy shall be established in consultation with a representative of the neighboring hotel and shall be reviewed and approved by the Director of Community Development prior to the issuance of Building Permits. The policy shall include but is not limited to:
1. Discouraging employee activities along the southern boundary of the site, behind the proposed building, which may be disruptive to the customers of the neighboring hotel.
  2. Establishing a process for tenant use of the solid waste enclosures which may involve noise, hours and other potential impacts.
- H. Redesign the trash enclosures to be fully enclosed and attached to the building.

**2. COMPLY WITH OR OBTAIN OTHER PERMITS**

- A. Obtain necessary permits from the Development Permit from the Department of Public Works for all proposed off-site improvements.
- B. Obtain approval from the Crime Prevention Division of Public Safety Department for crime prevention and fire safety measures appropriate to the proposed development prior to issuance of a Building Permit. This includes clearly marking each individual unit number.
- C. Meet requirements of the Stormwater Program, including pre-construction control measures, filing a Notice of Intent (NOI) with the landowner must file an NOI with a vicinity map and the appropriate fee with the State Water Resources Control Board (State Water Board). A separate NOI shall be submitted to the SWRCB for each construction site. Owners of new construction shall file an NOI prior to the commencement of construction.

**3. ART IN PRIVATE DEVELOPMENT**

- A. Provide publicly visible artworks at the intersection of Lawrence Expressway and Duane Avenue.
- B. Comply with the art in private development requirements as noted in Sunnyvale Municipal Code 19.52 for art approval, installation and maintenance including the following requirements:
  1. Developers must allocate an amount for artwork equal to one percent of the construction valuation of the project, based on the building permit valuation provided by the chief building official. In the event of multi-phased development, valuation

shall be based on the cost of all phases, even though all phases may not be completed at the same time.

2. No building permit will be issued for any building, expansion, or portion thereof, pursuant to Sunnyvale Municipal Code section 19.52.060 until a permit for required artwork has been issued pursuant to Sunnyvale Municipal Code section 19.52.060.
3. A bond, letter of credit, cash deposit or other similar security instrument for 1% of the construction valuation of the development project will be required prior to applying for a building permit. The bond will not released until completion and installation of the artwork requirement including related landscaping, lighting, base work and commemorative plaque.
- C. Submit an Art in Private Development application to the Director of Community Development for approval by the Arts Commission, prior to submittal for Building Permits.

#### **4. USES**

- A. Allow up to 30% restaurant to be permitted by right (including fixed seats, restaurants with a bar, or fast food restaurants; but not including nightclubs or bars not in restaurants), along with up to 4,000 square feet of financial, and the remainder as general retail uses.
- B. The following shall only require the review and approval through a Miscellaneous Plan Permit:
  1. Any restaurants between 30% and 40% of the gross floor area.
- C. All uses permitted within a C-2 Zoning District (SMC 19.20.030) shall be permitted on this property, including restaurants up to 30% Floor Area Ratio (FAR), except that the following uses shall require a separate Special Development Permit:
  1. Any restaurants that exceed 40% of the total floor area, or restaurants with hours after 10:00 p.m.
  2. Entertainment uses, night clubs, and bars not in a restaurant.
  3. Establishments for which a general liquor license or an on-sale liquor license is required.
  4. Dog grooming/Kennel.

#### **5. DESIGN/EXTERIOR COLORS AND MATERIALS**

- A. Final exterior building materials and color scheme are subject to review and approval of the Director of Community Development prior to issuance of a building permit.

- B. Roof material shall be 50-year dimensional composition shingle, or similar quality and dimension, as approved by the Director of Community Development.
- C. Fabric awnings shall be replaced at least every five years. Any change of color, materials or design and are subject to review and approval by the Director of Community Development.

**6. EXTERIOR EQUIPMENT**

- A. Individual air conditioning units shall be screened on all four sides with architecture or landscaping features.
- B. Any modification or expansion of unenclosed uses shall require approval from the Director of Community Development.
- C. All unenclosed materials, equipment and/or supplies of any kind shall be maintained within approved enclosure area or screened from public view. Any stacked or stored items shall not exceed the height of the enclosure or screening.
- D. Out-of door loudspeakers shall be prohibited.

**7. FEES**

- A. Pay Traffic Impact fee estimated at \$ 18,556.89, prior to issuance of a Building Permit. (SMC 3.50)

**8. FENCES**

- A. Maintain the 6 foot solid wood fence (measured from the highest adjoining grade and of a design approved by the Director of Community Development) along the southern property lines.
- B. Only fences, hedges and shrubs or other natural objects 3 feet or less in height may be located within a "vision triangle" (For definition, refer to Vision Triangle brochure or SMC 19.12.040(16), SMC 19.12.050 (12))

**9. LANDSCAPING**

- A. Landscape and irrigation plans shall be subject to approval by the Director of Community Development prior to issuance of a Building Permit. Landscaping and irrigation shall be installed prior to occupancy. The landscape plan shall include the following elements:
  - 1. Maintain at least 39 of the existing trees on the site, as identified in the Arborist Report plus #20 and #25, and
  - 2. Preserve and relocate at least 10 trees on the site, as identified by the Arborist Report plus #14 and #17 (all Japanese Maple and Saucer Magnolia trees), and
  - 3. Plant 36 new trees on the site.



- B. The landscape plan shall including street trees and shall be submitted and approved per the City Arborist.
- C. Prepare a landscape maintenance plan subject for review and approval by the Director of Community Development
- D. Provide decorative paving as required by the Director of Community Development to distinguish entry driveways, building entries, pedestrian paths and common areas.
- E. Provide separate meter for domestic and irrigation water systems.
- F. All landscaping shall be installed in accordance with the approved landscape plan and shall thereafter be maintained in a neat, clean, and healthful condition. Any trees lost over time for any reason shall be replaced based on the review and approval of the City Arborist and the Director of Community Development.
- G. Trees shall be allowed to grow to the full genetic height and habit (trees shall not be topped). Trees shall be maintained using standard arboriculture practices.
- H. The type and location of the 36 new trees to be planted on the site shall be per the proposed landscaping plans. Any modifications to the plans shall be reviewed and approved by the Director of Community Development prior to issuance of Building Permits. The size requirements for the new trees shall be as follows:
  - 1. All 12 "protected trees" (as defined in SMC 19.94) approved for removal shall be replaced with a specimen tree of at least 36-inch box size, and
  - 2. At least 25% of the total number of new trees to be installed shall be 24-inch box size or larger (a total of 9 trees), and
  - 3. The remaining 15 new trees to be planted on site shall be at least a 15-gallon size.
- I. At the expense of the applicant, City staff may install up to 10 street trees of a species determined by the Public Works Department.
- J. Provide a ten-foot wide landscape buffer along the north, east and west property line (with the exception of only a 9-foot buffer along Stewart given the reduced setback).
- K. Ground cover shall be planted so as to ensure full coverage eighteen months after installation.
- L. All areas not required for parking, driveways or structures shall be landscaped.
- M. For commercial and industrial projects, to ensure appropriate sewer billing (water used for irrigation may not be billed for sewer), the

developer may provide separate (irrigation and other) intake meters. Such meters could be installed prior to occupancy of the building.

#### **10. TREE PRESERVATION**

- A. Prior to issuance of a Demolition Permit, a Grading Permit or a Building Permit, whichever occurs first, obtain approval of a tree protection plan from the Director of Community Development. Two copies are required to be submitted for approval.
- B. The tree protection plan shall be installed prior to issuance of any Building Permits, subject to the on-site inspection and approval by the City Arborist.
- C. The tree protection plan shall remain in place for the duration of construction.
- D. The tree protection plan shall include measures noted in Sunnyvale Municipal Code Section 19.94.120 and at a minimum:
  1. Maintain existing mature trees along the southern perimeter of the property, and those indicted on the revised landscaping plan as approved by the Director of Community Development.
  2. Provide fencing around the drip line of the trees that are to be saved and ensure that no construction debris or equipment is stored within the fenced area during the course of demolition and construction.
- E. Overlay Civil plans including utility lines to ensure that the tree root system is not damaged.
- F. Preserve and re-plant the trees indicted on the revised landscaping plan as approved by the Director of Community Development.
- G. Provide structured soil in the parking lot planters and for the large trees along the southern perimeter when existing pavement removal is necessary.

#### **11. LIGHTING**

- A. Prior to issuance of a Building Permit, submit an exterior lighting plan, including fixture and pole designs, for approval by the Director of Community Development. Per the City Code, the plan shall clearly demonstrate that lighting on the site does not fall on neighboring residential/hotel use to the south. Driveway and parking area lights shall include the following:
  - Sodium vapor (of illumination with an equivalent energy savings).
  - Pole heights to be uniform and compatible with the areas, including the adjacent residential areas. Light standards

shall not exceed 18 feet on the interior of the project and 8 feet in height on the periphery of the project near residential uses.

- Provide photocells for on/off control of all security and area lights.
- All exterior security lights shall be equipped with vandal resistant covers.
- Wall packs shall not extend above the roof of the building.
- Lights shall have shields to prevent glare onto adjacent hotel property.

- B. A photometric study may be necessary depending on the lighting type proposed, completely recessed lighting in the canopy would be ideal.

## **12. PARKING**

- A. Specify customer and employee parking areas on plans. All such areas shall be clearly marked. Employees shall be required to park on the site.
- B. Specify compact parking spaces on the Building Permit plans. All such areas shall be clearly marked prior to occupancy, as approved by the Director of Community Development.
- C. Accessible parking spaces shall be dispersed so that they are equal distance to each tenant entrance. In order to disperse the spaces evenly, individual loading areas may be required. This may reduce the total number of parking spaces.
- D. Provide fire access roads with a minimum width of 20 feet and a minimum inside turning radius of 30 feet.
- E. The Sunnyvale Municipal Code requires that the parking lot design to include a Parking Lot Shading Plan. The Parking Lot Shading Plan (PLSP) includes two parts: (1) Parking Lot Shading Site Plan (landscaping plan at 15 years), and (2) Shaded Calculation Table. The PLSP shall include 50% shading at 15 years with the exception of only the parking located along the southern boundary of the site. The PLSP shall be approved by the Director of Community Development prior to issuance of Building Permits.
- F. Convert up to 15 of the parking spaces along the northern perimeter of the site to compact spaces to allow for adequate space to preserve 2 additional trees (#20 and #25).

**13. BICYCLE PARKING**

- A. Provide 3 Class I (lockers) and 4 Class II (racks) bicycle parking spaces (per VTA Bicycle Technical Guidelines) as approved by the Director of Community Development.

**14. RECYCLING AND SOLID WASTE**

- A. Submit a detailed recycling and solid waste disposal plan to the Director of Community Development for approval prior to issuance of Building Permits. This plan shall include both the establishment and implementation of the ongoing solid waste management program that addresses appropriate storage and transportation of commercial and food service waste and the good neighbor protocols referenced in Condition of Approval 1.G.
- B. All exterior recycling and solid waste shall be confined to approved receptacles and enclosures.
- C. The enclosure shall be of masonry construction and shall match the exterior design, materials and color of the main building.
- D. All recycling and solid waste containers shall be metal or State Fire Marshall listed non-metallic.

**15. RIGHT-OF-WAY IMPROVEMENTS**

- A. Obtain a Development Permit from the Department of Public Works for improvements.
- B. Curbs, gutters, sidewalks, streets, utilities, traffic control signs, electroliers (underground wiring) shall be designed, constructed and/or installed in accordance with City standards prior to occupancy. Plans shall be approved by then Department of Public Works.
- C. Approval of detailed street improvements plan shall be obtained from Public Works and bonds posted prior to issuance of a Building Permit.
- D. The following traffic and road improvement shall be completed prior to the issuance of occupancy permits:
- Install sidewalks on Stewart Drive.
  - Install stop signs at driveway exits.
  - Install curb ramps at Duane and Stewart Drive.
  - Bring driveways up to new city standards.

**16. SIGNS**

- A. All existing/new signs shall be in conformance with Sunnyvale Municipal Code and shall be approved under a separate Master Sign Permit.

**17. UNDERGROUND UTILITIES**

- A. All proposed utilities shall be undergrounded.
- B. Applicant shall provide a copy of an agreement with affected utility companies for undergrounding of existing overhead utilities which are on-site or within adjoining rights-of-way prior to issuance of a Building Permit or a deposit in an amount sufficient to cover the cost of undergrounding shall be made with the City.
- C. If any additional poles are proposed to be added, developer shall have PG&E submit the preliminary plan to Public Works Department for review. City Council shall make the decision if any additional poles are acceptable or not. Under no circumstances shall additional poles be permitted along the frontage of this development.
- D. Conduit sizing and locations shall be included on street improvement plans. Submit one copy to the Planning Division.
- E. Improvement plans showing conduits for future undergrounding of existing overhead utilities shall be submitted to the Planning Division for review and approval prior to issuance of a Building Permit. Complete installation of conduits prior to occupancy.

**18. VEHICLES**

- A. No vehicles or trailers shall be advertised for sale or rent on the site and nor vehicle sales, leasing or rentals shall be conducted at the site unless approved through a Temporary Unenclosed Use Permit.